Daniele Caratelli

Personal Details

Department of Economics
Stanford University
Stanford, CA 94305-6072

+1 (773) 738-5912
danicara@stanford.edu
https://stanford.edu/~danicara/

Education

Ph.D. in Economics, Stanford University — June 2023 (Expected)

B.A. in Economics and Mathematics (Honors), University of Chicago — 2011 – 2015

References

Patrick Kehoe (Primary)
Dept. of Economics, Stanford University
pkehoe@stanford.edu

Adrien Auclert
Dept. of Economics, Stanford University
aauclert@stanford.edu

Robert Hall
Dept. of Economics, Stanford University
rehall@stanford.edu

Elena Pastorino
Hoover Institution, Stanford University
epastori@stanford.edu

Research Fields

Macroeconomics, Monetary Economics and Macro-Labor

Working Papers

"Labor Market Recoveries Across the Wealth Distribution"

Job Market Paper

This paper studies why, in the aftermath of recessions, low-wealth workers experience larger falls and slower recoveries in earnings than high-wealth workers. I show that differences in job-switching and job-losing rates play an important role in explaining these earnings dynamics. I build a macro model of the labor market that includes a novel ingredient, which I document and quantify empirically: when workers switch to new jobs they suffer a 6.4 percentage point increase in their job-loss probability over the first fifteen months at the new job. Through this model I conclude that differences in job-switching and job-losing by wealth, which the model can endogenously reproduce, explain 42 percent of the gap in earnings between low- and high-wealth workers following the Great Recession. Furthermore, the model is consistent with the sudden increase in job-switching that the US labor market experienced following the Pandemic recession, suggesting that generous government stimulus played a sizable role in the recovery.

"Optimal Monetary Policy with Menu Costs is Nominal Wage Targeting" with Basil Halperin

We show analytically that ensuring stable nominal wage growth is optimal monetary policy in a multisector economy with menu costs. This nominal wage targeting contrasts with inflation targeting, the optimal policy prescribed by the textbook New Keynesian model in which firms are permitted to adjust their prices only randomly and exogenously. The intuition is that stabilizing nominal wages minimizes the number of firms which need to adjust their prices, and therefore minimizes the resources wasted on menu costs. We show that the analytical result that nominal wage targeting is superior to inflation targeting carries over in a rich quantitative model.

Work in Progress

"Heterogeneous Currency Union: MPCs and Tradable Shares " with Riccardo Masolo

Published Papers

"Macroeconomic Nowcasting and Forecasting with Big Data" with Brandyn Bok, Domenico Giannone, Argia Sbordone, and Andrea Tambalotti Jackson, ***Annual Review of Economics***, Vol. 10:615-643, 2018

Relevant Positions

Bank of England 2020 – 2022
Academic Visitor

Stanford University 2021
Research Assistant to Patrick Kehoe and Elena Pastorino

Bank of England Summer 2020
Ph.D. Intern

Stanford University 2018-2020
Research Assistant to Adrien Auclert

Federal Reserve Bank of New York 2015-2017
Research Analyst, Macro and Monetary Division

Teaching Experience

Department of Economics, Stanford University

TA for Luigi Bocola, Econ 168 (International Finance) Spring 2021

TA for Scott McKeon, Econ 102A (Introduction to Statistical Methods) Fall, Winter 2020

Awards & Fellowships

E.S. Shaw and B.F. Haley Fellowship for Economics, SIEPR 2022 – 2023

Dissertation Fellowship, Federal Reserve Bank of St. Louis Summer 2021

Doctoral Grant, Washington Center for Equitable Growth 2021

David S. Hu Award, The University of Chicago 2015

Becker Friedman Institute Award for Academic Achievement, The University of Chicago 2015

Refereeing

Journal of Business & Economic Statistics; *International Journal of Forecasting*

External Presentations

St. Louis Fed, Dartmouth College, Bank of England 2021

Pre-academic Work

"Opening the Toolbox: The Nowcasting Code on GitHub", ***Liberty Street Economics***

"Just Released: Introducing the New York Fed Staff Nowcast", ***Liberty Street Economics***

Other

Programming: Julia, Python, Matlab, and Stata

Languages: Italian (native) and English (native)

Citizenship: USA, Italy